

SENATE COMMITTEE HEARING  
*on the*  
JUDICIARY SUBCOMMITTEE ON TECHNOLOGY,  
TERRORISM AND GOVERNMENT INFORMATION

"Identity Theft: How to Protect and Restore Your Good Name"  
July 12, 2000

Mr. Chairman and Members of the Committee, it is my pleasure to submit testimony to your committee today and hope that my presence will shed some light on the invasive crime known as Identity Theft.

My name is Michelle Brown, I am 29 years old, and currently reside in a respectable community in the surrounding area of Los Angeles, California. I have been gainfully employed in international banking for the last 7 years since my graduation from a University in California. I am much like most other hard-working, conscientious individuals, eager to get ahead in life and to make a respectable living; however, one thing clearly sets me apart from the rest of the crowd. I have endured the trying chores of realizing that I have become, and subsequently, have been painstakingly trying to break free from being, an identity fraud victim.

It was a scenario I had only previously known through unbelievable stories painted in Hollywood: someone becomes you, erases your life, and through their destructive behaviors, complicates your own existence to an extreme level where you no longer know how to just live day after day. Your life becomes the life consumed by unraveling the unthinkable acts that your perpetrator has done in your perceived skin.

I discovered on January 12, 1999, the existence of this shadow identity that I have been anxiously trying to expel from my life ever since. To be truthful, I don't think I will ever be able to close the books entirely on this menace's activities. I dearly wish I could, but what I know now translates to the fact that I will always be dealing with this alter reality I am plagued with.

Over the course of a year and a half, my name, personal identifiers and records were grossly misused to obtain over \$50,000 in goods and services, to rent properties, and to engage in federal criminal activities—namely drug trafficking. During the course of 1999, I spent countless sleepless nights and seemingly endless days, dedicating my valuable time, energy, peace of mind, and what should have been a normal life, trying to restore my credit and my life.

I filed various statements and affidavits, had documents notarized, made thousands of phone calls to creditors, governmental authorities, etc., and continually set in motion the next level of protection for further follow up and monitoring. I alerted all the proper authorities, filed all the right papers, made the right phone calls, and diligently remained actively adamant to restore my perfect credit and my good name. I would estimate that the time lost toward clearing my credit, attempting to clear my criminal record, and to sever myself free from this menacing being, amounted to somewhere in excess of 500 hours of my time. At the time, the burden seemed like it cost me a lifetime.

In the course of restoring my credit and my name, I realized that I was victimized by someone without conscience. This person was not a normal, socially responsible individual and would stop at nothing. In restoring my name, I discovered the following about her and her fraudulent activities:

- The perpetrator: Heddi Larae Ille, is currently 33 years old, and thankfully, is serving both state (2 years) and federal (73 months) prison time for illegal acts she performed while assuming my name. She is a Caucasian female, standing at about 5'7", weighing about 200 pounds, brown hair, and brown eyes. I am Caucasian, height 5'9", weight 125 pounds, brown hair, hazel eyes. I believe we look nothing alike in physical appearance.
- January 1998: Just after I filed an application to rent a property, the perpetrator stole my rental application from my landlord's property management office. She apparently was at one time an acquaintance of my landlord's; to this day, I still have never met her and do not know her in any fashion.
- February 1998: Heddi set up a wireless telephone service at my then current address, and quickly switched the address within less than a week. After 3 weeks, Pacific Bell deemed this account as fraud and disconnected the service. Due to their fraud determination, this account was never alerted to me.
- March 1998: Heddi set up residential telephone service at a property in L.A., which remained on for about 4 months; \$1,443 remained late and unpaid, therefore the service was finally shut off. This account eventually hit my credit report in the form of a credit inquiry through a credit bureau. [Of note, I simultaneously had telephone service in my name for years non-stop through the same provider (GTE); even though Heddi established the service through the same provider, with my name, Driver's License Number, and Social Security Number, I was never alerted of this new account, nor was this account cross-referred to mine, even as it was in serious delinquency.]
- July 1998: Heddi attempted to obtain timeshare financing. The application was never activated, and when I spoke to the timeshare financing company, they did not have a "Fraud" division set up and could not tell me what happened with the application. I was later informed that she was required to serve 45 days in jail (on a separate fraud charge) shortly after the application was filed; likely this is the reason nothing had been pursued.
- July 1998: Heddi attempted to get a credit card through Target (a "home/everything" type store); the application was denied.
- August and September 1998: Heddi served 45 days in jail.
- October 1998: Heddi got a duplicate drivers license at a Fullerton, CA Department of Motor Vehicles, in my name, my drivers' license number, but an alternate address, and with her picture. The DMV issued the duplicate, even though at the time, she weighed 40 pounds more than me and was two inches shorter, and completely different in physical appearance. The requirement of her fingerprint enabled the authorities to clearly distinguish our different identities and made things much easier for me to clear my credit, and to clearly establish the fact that I was the victim of identity fraud and impersonation.
- October 1998: Heddi rented a property in San Diego, CA, in my name, set up utilities, and shortly thereafter vacated.
- October 1998: Heddi signed a year lease at another property in San Diego, in my name.
- December 1998: Heddi filed applications for and received the following: a \$32,000 2000 Quad Cab D2500 Dodge Ram Pick-Up (zero down lease), and \$4,800 worth of liposuction in

Long Beach, CA (she paid \$1,400; the rest was financed through a line of credit established in my name).

- January 12, 1999: I received a message at home from a Bank of America representative inquiring about the new Dodge pick up. I returned the call to tell them they had the wrong person and I knew nothing of the truck. They explained they must have the wrong Michelle Brown, all the numbers listed on the application were not working, and a previous address was listed in my city; so they reached me via my 411 listing. I asked them for the SSN to ensure it wasn't mine, they couldn't release it; I gave them mine and they told me that was in fact the one used on the application.

- January 12, 1999 (and on): I instantly put fraud alerts on all credit reporting agencies, filed a police report, cancelled all of my credit cards, put heightened security on all bank accounts, called the DMV to find out if a duplicate drivers license was issued (it had been) and subsequently put a "pink flag" fraud alert on my License number. Subsequently filed another local police report, called the Postmaster, Social Security Agency, U.S. Passport Agency, etc., and the nightmare continued with each and every passing day.

- Mid- January 1999: The Police Detective I was working with gets her pager number, pages her, and has a conversation with her. After she identifies herself as me when she returned the page, he tells her he knows that she really is Heddi Ille, and to turn herself in the next day. She agrees. Two subsequent times in the next week, she requests more time to turn herself in. Within the next wee, the Detective issues a warrant out for her arrest and attaches required bond set at \$750,000.

- May 1999: Heddi is arrested in Texas for smuggling 3,000 pounds of marijuana, she identifies herself as me to the DEA and to a federal magistrate. The arrest is recorded in my name, "I" am subsequently named in the criminal complaint, and listed as the DEA's informant. She was somehow set free even though my name and Drivers' License number was flagged with fraud since January 1999. I know nothing of her criminal activities at this time.

- June 1999: Through my landlord's property manager, I was told that they heard through one of Heddi's acquaintances that there was a warrant out for my arrest somewhere in Texas. Since I was going out of the country on vacation within 2 weeks, I asked the detective to write a letter explaining the circumstances and my innocence. I also had the police run my information in databases to tell what city/county the warrant was in, and tell me how to clear it prior to my vacation. No positive responses were found; I assumed it was a local county warrant -- it was a federal felony warrant as I found out in July when she was arrested.

- July 1999: Heddi called an acquaintance of hers while she was in a suicidal state, and they turned her in. She identified herself as me even still as the police came to her hotel door. She was found with drugs in her possession, credit cards that had been melded down and re-imprinted with my name, and her CDL in my name. She was brought in on 13 criminal counts.

- September 1999: Returning from a trip to Cabo San Lucas, I was held at LAX's Customs and Immigration for an hour while I explained the circumstances of my erroneous link with her criminal record (after my passport was swiped in the computer). As I presented endless documentation of court records, police filings, etc., and explained my situation in a stream of tears, I knew then that I had become erroneously linked with Heddi's criminal record. The agents questioned my story and documentation, and treated me very suspiciously -- like I was the criminal. After the Police Detective was called and vouched for me, I was allowed to leave. I feared being arrested or being taken into custody. I found out later that, even though Heddi

had already been in police custody at a jail since July, the DEA posted a lookout for "me" in the system. They neglected to let me know that I might want to be prepared for this type of confusion at any time.

- September 1999: Heddi is convicted of 3 felony counts (perjury, grand theft, and possession of stolen property) at the state level at 2 years each, which she is serving simultaneously. Note that the specific charge for identity theft/impersonation was not a charge that she was actually convicted of.
- October/November 1999?: Heddi is transferred to the Chicago Federal Prison and **they book her as an inmate in my name**. She even addressed outgoing letters from the Federal Prison using **my name** in the return address. Needless to say, I was furious. When I called the DA, they told me they would have this corrected. I was told subsequently that it was corrected; however, they could never provide me proof of this in writing as I requested.
- June 2000: Heddi is sentenced to 73 months in federal prison for possession with intent to distribute 3,000 pounds of marijuana, with an enhanced sentence for lying to a federal magistrate. She received a reduced sentence from the pre-determined 110 months because she provided assistance to the government. [I believe she was tied to a major drug smuggling ring. Even though my name was used, I was never privy to details of her crime; however, I was informed that there were several defendants in this case.]

Through the course of uncovering her trail and waiting for her to be caught, I honestly believed that the victimization would never end, that I would never become whole again as the true "Michelle Brown." My world had become a living nightmare. I personally was affected extremely: I was significantly distracted at a job that I had just started three weeks prior to the day of discovery, I suffered from a nearly non-existent appetite, very little sleep, and was consumed with the ferocious chore of restoring my name and attempting to quell any future abuse. I lost identification with the person I really was inside and shut myself out of social functions because of the negativity this caused on my life. I know that a very meaningful 3 year relationship with my then boyfriend suffered dearly because of the affect this traumatic chapter of my life had on me – the relationship ended about 4 months later.

No words will ever be strong enough to completely convince others what this period was like, filled with terror, aggravation, unceasing anger and frustration as I woke every day (since my discovery of the identity fraud in January 1999) with emotionally charged, livid angst. I unceasingly was forced to view life through a clouded reality, one seriously altered by a horrendous individual who committed a series of unforgivable acts in my name. The existence of Heddi has robbed me of the normal life I have strived for and entirely deserve. My life should be one in which I, and I only, should be the **only one being** held responsible and accountable for my personal credit history and what should be, a lack of a criminal history.

For me, the most personally frightening moment was dealing with LAX's Customs and fearing an erroneous arrest. Because of this situation, I purposely have NOT gone out of the country for fear of some mishap, confusion, language barrier, that may land me in prison for some unknown period of time. I do not deserve to be in this predicament and do not deserve to feel imprisoned by the U.S. Borders. I still fear what might happen as I cross the U.S. Border and I cannot get assurance from any governmental agency that this situation will **never** happen again.

Identity fraud (especially those cases escalated to a criminal level) leaves a very dark and filthy

cloud around the victim. Although I am the free Michelle Brown, living what may on the surface seem to be a normal life with freedom on the streets, I have never deserved less than that: a normal life, one free of the ill effects of a heinous individual who deliberately and unabashedly used and abused my world that I had always been so careful to create and maintain. I am a law-abiding, good natured and caring individual, contributing through legitimate business and upstanding citizenship, who never deserved to be haunted with this naggingly irritating air Heddi has shadowed me with.

Clearly many preventive measures and protective procedures need to be enforced to prevent such a horrendous crime from being so easy and attractive for a perpetrator to facilitate. Below I've attached a list of items highlighting some of the weaknesses I see with the current system.

I thank you for your time and consideration and hope that my case can provide you with the awareness that this is truly a real crime, with real victims, and dire life-altering consequences attached.

Sincerely,  
Michelle Brown

During the course of the restoration of my credit and my personal records, including criminal associations, I can identify the following faults in the current system:

*There should be a better system to clearly verify the innocent's residency for the past.* Creditors and the credit reporting agencies require various statements to prove residency over the course of time (when services were actually established). The types of documents they require as proof(s) of residency were rarely consistent with each other. Additionally, most people do not keep old statements. How is one to prepare for the occasion that you would have to prove residency for any time period? I happen to keep all of my old credit card

statements, some utility bills, and most phone bills which allowed me to provide sufficient documentation. I doubt the common citizen retains the same level of credit card statements, utility bills, etc.

*There should be a standardized form that would suffice to send to all parties that were victims of extending credit, extending identification/documentation of identity (Department of Motor Vehicles for licenses, passport agencies), and reporting on these items (credit reporting agencies). To clear fraudulent items, I was asked to fill out various forms from one creditor to the next, which is very time consuming.*

*Credit restoration (at the credit reporting agencies) is rarely timely, efficient, or effective. Even though the fraudulent accounts were erased from my credit reports, some items mysteriously resurfaced months later. Also, several fraudulent inquiries still remain on my TransUnion report despite repetitive efforts with both the creditors and the credit reporting agency to clear these items.*

*Credit Monitoring Services should be provided free to victims of identity fraud for several years. I still need to monitor my credit even though the perpetrator is in prison (she could use it again or could have sold it off, etc). I continually call to ensure that neither new inquiries nor accounts have been opened fraudulently. I also need to ensure that my fraud statement remains attached to each credit report. Many victims are re-victimized after the fraud alert expires on their credit reports. This will always be a necessity despite the appearance of a fraud alert tagged to each of the three credit reporting agencies' reports, especially in the event a merchant does not comply with the fraud instructions to contact the victim telephonically.*

*Identity fraud victims should always be able to speak to a live person at the credit reporting agencies. As the attachment of a fraud alert is the first level of prevention once someone has learned of their victimization, it is a necessity to attach this as soon as possible. This was the first means of comfort to me that I could take this measure and discuss my situation with someone more familiar with the situation. However, in subsequent calls to the credit reporting agencies, I had discovered that often the call went straight to an automated call receipt system with inadequate options. It would have been quite unnerving if my first call to alert them of fraud had been funneled to an answering machine where you are asked to leave your name, number, social security number, etc., rather than speaking to a live individual who can better instruct you and understand your crisis.*

*Authorities are not always sensitive to this type of crime. When I spoke to an LAPD, I was told blatantly not to file a report in their office because they didn't want such an enormous case on their hands. The DMV was also not sensitive to my case and was in fact accusatory: they suggested that I was lying about someone getting a duplicate CDL in my name, despite the fact that I had just spoken with another employee who verified this for me. I was guilty until proven innocent -- like most identity fraud victims are treated time and time again.*

*In each Police Department, there should be an established Task Force to which calls of Identity Fraud nature should be referred, where expertise in this arena and sensitivity to the victim would be highly appreciated. On filing my first police report, I was told to file a report in the county where the crime was committed. The first thing I was alerted to was the truck*

purchase, which took place somewhere over 100 miles away from me in San Diego. Additionally, the officer I initially spoke to in San Diego mistakenly thought that I should collect all of the necessary paperwork and bring it to the San Diego Police Department. Not only would this have been a major inconvenience, but legally, I did not even have access to this "proof:" the application for the \$32,000 loan, copies of the perpetrators' drivers license, etc. My feeling is that Law Enforcement Officers are not trained to handle these types of calls, and do not know the procedures.

*The fraud alert posted on my driver's license in January 1999 obviously was not effective: either the various systems should be able to share this information across the state borders, or the DMV should be more careful about what they are telling victims.* What I understood created a false sense of security for me. Had this fraud alert worked, I would not be linked with: the perpetrator's arrest record, the criminal complaint, the warrant out for her arrest, nor would I have been detained at LAX's Customs and Immigration.

*There are neither enough resources nor expertise dedicated to this crime in general, and government information sharing across state lines is poor.* I was highly frustrated by the length of time it took to finally catch Heddi; when she was finally taken into custody, it was not because of the diligence of the police, it was because she was turned in. Also, it amazes me that she was actually arrested in Texas in my name, taken into custody, and released even though California records were flagged to show that someone was using my name and to be on the look out. Clearly the current system and procedures failed horribly and are **not adequate at this time.**

*There need to be clear cut procedures and evidence provided to the victim to break a victim free of an impersonator's crimes.* Authorities cannot provide assurance that I am now cleared of hassles with the law, Customs/Immigration, etc. In fact, I am told that I will always be linked with Heddi's criminal record because I'm her A.K.A, meaning that I will likely be questioned any time that my name and identifiers are run in government systems. This is an enormous, haunting burden on a victim, who has clearly already suffered enough. I believe the government does not have solid procedures on how to de-link a victim from its perpetrator, and they are uncertain of the flow of information. I feel like I'm testing the system as if I'm walking through a minefield.

*Finally, there should be severe consequences to the perpetrator of such crime.* Although my perpetrator is currently serving prison time, she was never convicted of the identity fraud felony count. Her other crimes carried more weight over the one most personally offensive and life altering to me. I would recommend to impose a \$5,000 fine to anyone who steals another's identity, and require that this be paid to the victim within 2 years of conviction.

Additional recommendations, while not directly applicable to my case, would help prevent the extent of fraudulent activities:

*Social security numbers should be treated as confidential information, and therefore should not be required to be part of passwords, medical identification numbers (this is usually clearly stated of medical cards which should be carried at all times by the insured), etc. Additionally,*

*there are NO situations in which SSN's should be sold.*

*Credit issuers: all duplicate card requests should be verified by a mailer to the previous credit card address, or verified via telephone.*

*Credit issuers: change of address requests should be followed up with a level of verification. Possibly there could be a better communication system between the Postmaster, and credit reporting agencies and creditors, to verify that authentic address changes have been made.*

*Credit issuers: many unauthorized charges to a credit card holder are facilitated by shipping goods to an alternate address. Any items billed to a credit card and shipped to another address should be subject to the same verification/authentication requirements as if the creditor were discussing private account information with the card holder. Further, as the shipment is requested, the credit card holder should be informed of in writing of the shipment, including the address to which the item was billed.*

*Credit reports should be offered free to individuals at least once a year, at their request.*

*Unusual inquiry/account opening behavior should be flagged at the credit reporting agencies and further investigated. The bureaus should take more responsibility for unusual activity as they are the first ones to be alerted of consolidated fraud on one individual's record.*

*Fraud alerts should be CLEARLY POSTED on the first page of victims' credit reports. Further there should be fines imposed to merchants who do not properly act of these statements and fail to verify the authenticity of an application.*